A 30-year, $1,000 par value bond has a 9.5% annual payment coupon. The bond currently sells for $875. If the yield to maturity remains at its current rate, what will the price be 9 years from now?

Knapp Bros, LLC is planning to issue new 20-year bonds. The current plan is to make the bonds non-callable, but this may be changed. If the bonds are made callable after 7 years at a 7% call premium, how would this affect their required rate of return?